GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3488
ANSWERED ON:19.08.2003
FERTILIZER PSUS RUNNING IN LOSSES
ALE NARENDRA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

e :

(a) whether some public sector fertilizer plants are continuously running into losses;

(b) if so, the names of the plants where the production has been fully stopped due to losses during the last three years;

(c) whether it is a fact that the labour/employees in those plants still remain unutilized;

(d) if so, the details thereof; and

(e) the amount being paid to them annually by such plan?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (DR. CHHATTRA PAL SINGH)

(a) : Yes, Sir.

(b) The following plants under the Department of Fertilizers are closed due to various reasons including, inter-alia, on account of technological obsolescence, feedstock limitation, non-viability of unit/company and heavy financial losses:

Name of the Company	Unit	State	Year of closure
Fertilizer Corporation of India Ltd.(FCI)	Gorakhpur	Uttar Pradesh	June,1990
	Ramagundam	Andhra Pradesh	April,1999
	Sindri	Jharkhand	March,2002
	Talcher	Orissa	April,1999
Hindustan Fertilizer Corporation Ltd.(HFC)	Barauni	Bihar	June,1997
	Durgapur	West Bengal	January,1999
Pyrites Phosphates and Chemicals Ltd.	Dehradun	Uttaranchal	Sept.,1998
	Amjhore	Bihar	1999-2000
(PPCL)	Saladipura	Rajasthan	1999-2000
Fertilizers & Chemicals Travancore Ltd.(FACT)	Cochin	Kerala	Feb.,2003
Rashtriya Chemicals & Fertilizers Ltd.	Trombay-I	Maharashtra	April,1995
(RCF)			

(c) to (e): Government has decided to close the units of FCI (except forJodhpur Mining Organisation − JMO), HFC (except for the Namrup units) and PPCL on account of non-viability. The Namrup units of HFC and JMOof FCI have been carved out intoseparate companies by name and title of the "Brahmaputra Valley Fertilizer Corporation Limited (BVFCL)' and 'FCAravali Gypsum & Minerals India Limited (FAGMIL)', respectivelyA project for revamp of Namrup units has been sanctioned and is currentlyunder implementation. Employees of other units/divisions of FCI, HFC andPPCL have been offered the benefit of Voluntary Separation Scheme (VSS)and as on 12.8.2003, out of 11704 employees who have opted for VSS,11023 have been relieved. A budgetary provision of Rs.721.65 crore has been made to implement VSS in these companies.RCF and FACT havealso reviewed their manpower requirement with a view to rationalize the same. During the financial year 2003-04, an expenditure of Rs.68.75 crore is estimated to be incurred by FCI, HFC and PPCL on the salary, wages, power etc. in respect of their left out employees.